

City of Washington
Finance & Personnel Committee
Five Points Banquet Room
Monday, September 21, 2020 – **Minutes**

The meeting was called to order by Chairman Daniel Cobb at 4:30 p.m.

Present: Chairman Daniel Cobb, Mayor Gary Manier and Alderman Lili Stevens were present.

Also Present: City Administrator Ray Forsythe, Finance Director Joanie Baxter, Human Resource Specialist Alyssa Goodman; Planning & Development Director Jon Oliphant and Police Chief Mike McCoy.

AGENDA

1. Non-member Aldermen Wishing to be Heard on Non-Agenda Item: *None.*
2. Citizens Wishing to be Heard on Non-Agenda Item: *None*
3. *Mayor Manier motioned to approve minutes from the August 17, 2020 meeting. Alderman Stevens seconded the motion. The minutes as stated were unanimously approved.*

4. Business Items:

A. TIF FUNDING REQUEST – SENTIMENTAL JOURNEY

Kris Hasten of SKL Partnership has submitted an application for TIF assistance to complete interior and exterior building improvements to Sentimental Journey at 123 Washington Square. Sentimental Journey is one of the longest continuously-operating businesses on the Square and in the city. The building was constructed in 1920 and is part of the Square Historic District, though none of the improvements would require a Certificate of Appropriateness because they are largely interior modifications.

The exterior improvements would consist of the replacement of the lower roof. The upper roof will also be replaced but that is covered through insurance as a result of recent hail damage. Please note that all of this work is scheduled for completion prior to the remainder of the building project in order to maximize better weather. The interior work would consist of the refinishing of the hardwood floors in the front display window, the installation of a new heating system, updating of the main floor bathroom, and miscellaneous improvements to the main floor showroom.

Staff recommends a 40% subsidy for this project to support a long-standing business on the Square. It will provide funds to hopefully allow for the business to remain in operation for many more years. Based on this level, a not-to-exceed amount of \$6,504.80 is recommended to be paid in a single installment.

Mayor Manier made a motion to approve the TIF Request for Sentimental Journey not to exceed \$6504.84. Motion seconded by Chairman Cobb. All Approved.

B. TIF FUNDING REQUEST – GOLDENFINCH BOUTIQUE -

Charlotte Beck of Goldenfinch Boutique has submitted a TIF application to provide assistance for previously completed interior and exterior building improvements at 120 N. Main Street. Charlotte and her husband purchased the building in late January and originally planned on opening the business this spring. Unfortunately, COVID-19 did not allow her to open then. She started some of the building improvements prior to the forced

closure and finished them just before the opening of the business in early June once the State moved into Phase 3 of the Restore Illinois plan in late May.

The building was constructed in 1930 and is part of the Square Historic District. The exterior improvements consisted of the installation of vinyl siding on the rear of the building, new storefront glass and doors, tuckpointing, and new wall signage. The interior work consisted miscellaneous plumbing and electrical upgrades, wall repairs, painting (which also included the exterior front facade), and flooring. A Certificate of Appropriateness was approved by the Historic Preservation Commission for the new signage.

Charlotte did not realize until after the project was completed that the TIF typically assists with projects that are undertaken after a redevelopment agreement is approved. As a result, this request is to provide reimbursement for a portion of the completed project. The application form and receipts/invoices for the project are attached for your review and consideration. The submitted receipts/invoices for the project totals \$31,002.25. Staff recommends a 40% subsidy for this project to support a new business on the Square that experienced an inopportune time at a planned opening. Based on this level, a not-to-exceed amount of \$12,400.90 is recommended to be paid in a single installment.

Alderman Stevens asked a question regarding how business owners are informed about TIF reimbursements. Director Oliphant said that they try to do the best they can to inform owners, especially individuals entertaining the idea of purchasing a building. Motion to approve the funding made by Mayor Manier. Seconded by Chairman Cobb. All in favor. Motion approved.

C. TIF FUNDING REQUEST – BRUNKS -

Curt Reynolds of Brunk's Sports Center has submitted an application for TIF assistance to complete interior and exterior building improvements at 122 N. Main Street. A TIF building improvement project was recently completed to replace the brick on the upper portion of the facade from the windows to the parapet. A block backup was installed with a new stone coping cap.

The building was constructed in 1939 and is part of the local Square Historic District. The exterior improvements would consist of the installation of a new front door and window and to coat and repair the roof to eliminate leaks. The doorway would provide for full ADA accessibility. The interior work would consist of the demo and replacement of the flooring and ceiling, framing of the walls, adding spray insulation, interior and exterior electrical improvements, replacing the HVAC system, plumbing improvements, and installing a power vent water heater. The interior modifications would create a small kitchen area on both the main floor and basement to allow for the production of lip balms, soaps, and honey-based candies to be sold in the store. This would allow for a greater diversification of the business.

Mr. Reynolds has also sought an estimate for the replacement of the lower half of the front brick facade from the contractor that completed the work on the upper facade. While a written estimate has not been provided as of this writing, his contractor (Jesus Garcia) has indicated that it would be about \$6,000. That would allow for all of the brick to match. Recommendation from Jon Oliphant to include the entire amount of \$33,542.00 in case extra expenses incur.

Mayor Manier asked a question related to the brick painting and there was discussion on the subject and it was mentioned that the first course of bricks would need to be removed to match the new bricks and that the cost would be more expensive due to the need to include structural improvements. Mayor Manier made a motion to approve the lessor amount of \$31,142.00

which did not include the brick replacement on the lower section. Seconded by Chairman Cobb and motion passed.

D. MALLARD CROSSING SUBDIVISION DEVELOPMENT FEES –

Two 16-unit condo buildings were built on the north side of Mallard Way in Mallard Crossing subdivision in 2005-06. Capstone Construction of Central IL purchased the remaining vacant lot last year. Capstone Construction's property was originally Lots 11 and 12 and a small part of Lot 13. It purchased the property figuring there were 10 SDF's (subdivision development fees) previously paid for as part of any future development. It would like to build 12 units on the lot. The current water and sewer SDF is \$1,792 per dwelling unit (it increases by 3.5% or the rate of inflation each year, whichever is greater).

Staff is seeking direction on payment of SDF's. Staff feels the fairest resolution would be to allocate 8.33 SDF's over the three resubdivided lots and to then require SDF payment for any units in excess of 8.33 on the undeveloped lot. In this case with 12 units proposed, this would require the payment of 3.67 units or \$6,576.64 through 2020.

Chairman Cobb made a motion to move forward with 3.67 units. Mayor Manier seconded the Motion. Motion approved unanimously.

E. VOLUNTARY ANNEXATIONS UPDATE –

Planning & Development Director Oliphant indicated that staff sent letters to 149 owners of parcels of properties that are closely contiguous to city limits. Small increase of city's portion of property tax but also offers benefits. Received 31 responses, 18 no's, 12 open to annexing. One owner is a maybe. Also included is a map of location of properties. Overall, Jon Oliphant noted that not a strong enough response was obtained to move forward with city sponsored annexation.

Questions surrounding the origination of this project were asked by the Aldermen. City Administrator Forsythe explained that many residents came to the city when services from Waste Management changed to PDC. Residents were asking for in-city rates. It was clear that we were not going to extend rate to anyone not in city. The survey was simply done as a way to gauge interest, and Public Works suggested that annexation could be provided as a voluntary option to residents.

F. MONTHLY FINANCIAL REPORT AND REVENUE UPDATE – May 1-July 31, 2020 -

Overview presented by Financial Director Joanie Baxter for the first quarter of the fiscal year. Sales Taxes are running very close to prior year and budget with Home Rule Sales Taxes exceeding prior year and budget by 8 – 10%. Income Taxes are 32% over the prior year due to the tax filing deadline and are just 7% under budget based on the IML projections. Other revenue that is tracked is running very close to budget with an overall positive variance of 1.24%.

G. FULL TIME EMPLOYEE BENEFITS; VACATION IMPACT COVID19 –

City Administrator Ray Forsythe and HR Specialist Alyssa Goodman indicated that all the benefits that are offered to City Employees are being reviewed. Forsythe indicated that the current City policy allows carry over of vacation of 1-year of accrual plus 5 days up to 15 years of service and 1-year of accrual plus 10 days of vacation for those with 15 years of service and more. Several Department directors and managers haven't taken vacation due to extra activity and workload associated with COVID19 and other projects such as the Tyler conversion. Staff is seeking guidance on whether to allow a payout option or allow staff to carry over vacation time.

There was discussion on the options. Mayor Manier indicated that carryover could be problematic because overtime and comp time would increase with more employees using vacation time. Chairman Cobb indicated that overall, carry over of vacation is not ideal and

would suggest a one-time payout option. The Members would like staff to come back with financial consequence if a buyout option was approved. HR Specialist, Alyssa Goodman also noted that the City is also reviewing the full array of benefits, as many employees do not understand the benefits currently offered. A suggestion was made by Treasurer Dingledine to bring back a general map or overview of benefits and committee members can highlight ones to discuss in more detail.

H. WORKER'S COMPENSATION POLICY RENEWAL -

Financial Director Joanie Baxter is looking for guidance as the City comes up on the Worker's Compensation policy renewal period. Several years ago, the committee discussed the importance of having consistency with insurance providers. The City has been with current provider for 3-4 years and very modest increases have incurred. An increase is expected this year since new employees were added.

The Members discussed and directed Baxter to request a renewal proposal from the current carrier.

I. ELECTED OFFICIALS SALARY -

After the last discussion at Committee of the Whole, a four-year scenario put together using a 2.5% increase each year over 4 years for the City Clerk position. City Administrator also indicated that there was mention of tying the increases to the cost of living increase.

There was discussion on the City Clerk's wages and a recommendation that it be tied to the cost of living for all elected officials.

J. PERSONNEL MANUAL UPDATES -

The previous handbook policies have been revised, updated, and/or completely removed. Approximately twenty policies have been added to put the City in a good place regarding HR Best Practice. There are still other updates that need to be addressed prior to the official rollout to all employees.

K. EMPLOYEE/STAFF TRAINING UPDATE

Completion of the two state required trainings thru AAIM, Anti-Harassment in the Workplace and Inclusion in the Workplace, are well on their way to completion. The overall deadline for Illinois employers to have this completed on their employees is 12/31/2020. HR set a deadline of Sept 21 for all current employees to watch the videos and take the quizzes. Over half of the employees have completed this training. An email will be sent as a follow up to all managers with employees listed as incomplete.

5. Other Business: There was none.

6. Adjournment: *Mayor Manier motioned to adjourn. Alderman Cobb seconded the motion. All approved. Meeting was adjourned at 5:49 pm.*